DEC 1731

U.S. Officials Only CONFIDENCIAL

## CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT 25X1A

COUNTRY

El Salvador/Ecuador

SUBJECT

Two New Construction Projects

25X1A

PLACE ACQUIRED (BY SOURCE)

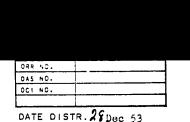
DATE ACQUIRED (BY SOURCE)

DATE (OF INFO.) Prior to 1 Dec 53

> OF THE UNITED STATES, WITHIN THAMSANING OF TITLE IS. SECTIONS YES IND 784, OF THE U.S. CODE: AS AMENDED. (TS TRANSMISSION OR REVE-ATION OF ITS CONTENTS TO OR RECEIFT BY AN UNAUTHORIZED PERSON IS ROHIBLTED OF LAW. THE REPRODUCTION OF THIS REPORT IS PARTIELTED

25X1X

THIS IS UNEVALUATED INFORMATION



NO. OF PAGES 1

NO. OF ENCLS.

SUPP. TO REPORT NO.

SOURCE

- 1. The first unit of the hydroelectric plant on the Rfo Lempa, which is being built by a US company, is expected to go this operation on 1 Mar 54 and the second one will be ready shortly thereafter. A penstock has been constructed so that at a later date a third unit may be added without too great a cost or much difficulty. Each unit will generate between 35 thousand and 40 thousand kilowatts, which equal the entire power production to El Salvador today. The new plant will serve the capital and perhaps one or two other communities.
- 2. A US construction company is at present engaged on two construction projects in Ecuador, which courtry suffers from transportation difficulties. It has recently been awarded the contract for the construction of 180 kilometers of highway between Manta and Quevedo, and some of its engineers and equipment are already on the spot. The second project, which is the construction of a pipeline from the plateau 100 kilometers from Quito to a terminus on the Guayas river east of Guayaquil. This pipeline is 50 per cent completed and will be of extraordinary benefit to the capital, since it will make possible a continuous flow of gasoline and other petroleum products which will to pumped to the placeau from sea level. At present the railroad can haul only short trains due to the steep gradient and in times of floods and washouts Quito is completely out off from many of the necessities of life. The pipeline will reduce the tost of petroleum products to one tenth of what they are now and will reduce railroad traffic by one third, thus making space for other necessities. Eventually, it is expected to continue the pipeline to Quito since there is a rise of land terveen the plateau terminus and the capital which impedes transportation. Company relations with the government of Eduador are excellent.

FURNARY COM CO. Send-

11/735.922 25£ 754 • 5 735 • 534

١. .

U.S. Officials Only CONFIDET" TAL

X FB! ENGR X MBPC X × 45,00 X 1-2-1 X AIR

This report is for the use within the USA of the Intelligence components of the Departments or Agencies indicated above. It is not to be transmitted overseas without the concurrence of the originating office through the Assistant Director of the Office of Collection and Dissemination. CIA.